

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE APPLICATION OF
IDAHO POWER COMPANY FOR AN
APPROVAL OF AN AGREEMENT FOR
ELECTRIC SERVICE BETWEEN IDAHO
POWER COMPANY AND THE J.R. SIMPLOT
COMPANY (POCATELLO).**

CASE NO. IPC-E-04-17

MINUTE ENTRY

On September 2, 2004, the Idaho Public Utilities Commission (Commission) in Case No. IPC-E-04-17, Order No. 29576, approved an Agreement for Electric Service between Idaho Power Company (Idaho Power) and the J.R. Simplot Company (Simplot) dated June 29, 2004 (the 2004 Agreement). The 2004 Agreement replaced an Agreement for Supply of Power and Energy between the companies that had been in effect since 1973 (the 1973 Agreement).

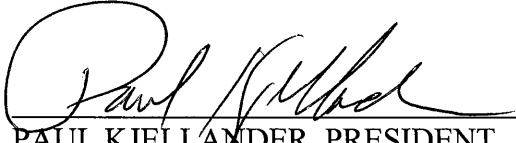
Pursuant to Commission Order No. 29535 dated June 28, 2004, the termination date of the 1973 Agreement, as amended, and as per Idaho Power request, was extended to the earlier of either August 29, 2004, or the date on which the Commission approved a new service agreement between the parties.

The Commission's Order No. 29576 approved the 2004 Agreement for an effective date of September 2, 2004. As a result, Idaho Power in a September 17, 2004 letter filing with the Commission indicates that it was necessary for the parties to agree on a rate to be applicable from August 29, 2004 until September 2, 2004. Based upon discussions between the two companies, Idaho Power and Simplot have agreed that the 1973 Agreement should be extended through September 1, 2004, and the rates, terms and conditions of the 2004 Agreement should be effective beginning September 2, 2004. The understanding and agreement of the parties is set forth in a Letter Agreement dated September 7, 2004 (attached). Idaho Power requests approval of the Letter Agreement by Minute Entry.

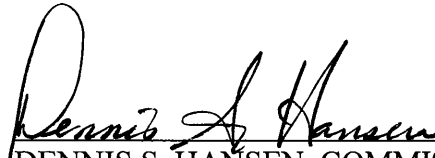
The Commission has reviewed the filings of record in Case No. IPC-E-04-17 including the submitted 2004 Agreement, our prior final Order No. 29576 in this case and related Order No. 29535 extending the termination date of the 1973 Agreement to August 29, 2004. The Commission has also reviewed the September 7, 2004, Letter Agreement between Simplot and Idaho Power and finds it reasonable that the 1973 Agreement should form the basis for rates for

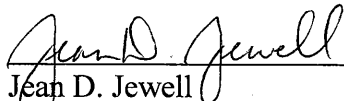
the Simplot Pocatello facility for the service period from August 29, 2004 through September 1, 2004, and finds it further reasonable by this Minute Entry to authorize extension of the 1973 Agreement through September 1, 2004.

DATED at Boise, Idaho this 5th day of ~~September~~^{October} 2004.


PAUL KJELLANDER, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


DENNIS S. HANSEN, COMMISSIONER


Jean D. Jewell
Commission Secretary

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An IDACORP Company

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IDAHO PUBLIC
UTILITIES COMMISSION

JOHN R. GALE
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September 7, 2004

David Hawk
Director, Energy & Natural Resources
J. R. Simplot Company
999 Main Street - 10th Floor
Boise, Idaho 83707-0027

Re: Case No. IPC-E-04-17 (Electric Service Agreement)

Dear Mr. Hawk:

On September 2 in Order No. 29576 issued in Case No. IPC-E-04-17, the Idaho Public Utilities Commission (IPUC) approved an Agreement for Electric Service between Idaho Power and the J. R. Simplot Company (Simplot) dated June 29, 2004 (the 2004 Agreement). The 2004 Agreement replaces the Electric Service Agreement between our two companies that has been in effect since 1973 (the 1973 Agreement).

Pursuant to Commission Order No. 29535, dated June 28, 2004, the termination date of the 1973 Agreement was the earlier of either August 29, 2004 or the date on which the Commission approved a new service agreement between the parties.

Order No. 29576 approved the 2004 Agreement effective on September 2, 2004. As a result, it is necessary for the parties to agree on the rate to be applicable from August 29, 2004 until September 2, 2004.

Based upon discussions between our two companies, we have agreed that the 1973 Agreement would be extended through September 1, 2004 and the rates, terms and conditions of the 2004 Agreement would be effective beginning September 2, 2004.

If the foregoing accurately portrays the agreement of our two companies, please execute all three copies of this Letter Agreement in the space provided below and return two copies to me. Upon receipt of the executed letter, Idaho Power will file this agreement with the Commission, requesting the Commission's approval.

Cordially,

John R. Gale

JRG:ma

The Above Letter Agreement Read,
Understood and Agreed to:

September 14, 2004

J. R. SIMPLOT COMPANY

BY:

ITS: VP, General Counsel

Attachment
Minute Entry
Case No. IPC-E-04-17